

**ST. TAMMANY PARISH
CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Annual Financial Statements

For the Year Ended
June 30, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

1/14/09

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Independent Auditor's Report

To the Honorable Malise Prieto
St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the St. Tammany Parish Clerk of Court (the Clerk), as of and for the year ended June 30, 2008, which collectively comprise the Clerk's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Clerk. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major funds, and the aggregate remaining fund information of the St. Tammany Parish Clerk of Court as of June 30, 2008, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2008, on our consideration of the St. Tammany Parish Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis, beginning on page 4, and the budgetary comparison schedule identified as Schedule 1, are not required parts of the financial statements, but are supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consist primarily of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

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Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Clerk's basic financial statements. The accompanying supplemental information listed in the table of contents under Other Supplemental Information is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all materials respects, in relation to the basic financial statements taken as a whole.



A Professional Accounting Corporation

November 5, 2008

REQUIRED SUPPLEMENTAL INFORMATION (PART I)

ST. TAMMANY PARISH CLERK OF COURT
For the Year Ended June 30, 2008

Management's Discussion and Analysis

Management's Discussion and Analysis (MD&A) for the St. Tammany Parish Clerk of Court (the Clerk) is designed to:

- Assist the reader in focusing on significant financial issues;
- Provide an overview of the Clerk's financial activities;
- Identify changes in the Clerk's overall financial position and results of operations and assist the user in determining whether financial position has improved or deteriorated as a result of the year's operations;
- Identify any significant variations from the original, amended and final budget amounts and include any currently known reasons for those variations that are expected to have a significant effect on future services or liquidity; and
- Identify individual fund issues or concerns.

The information contained herein should be read in conjunction with the financial statements, notes thereto and other required supplemental information taken as a whole.

OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is required supplementary information that introduces the reader to the basic financial statements and provides an overview of the Clerk's financial activities. The Clerk's basic financial statements consist of the following components: government-wide financial statements, fund financial statements and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements (see Statements A and B) are designed to present the financial operations of the Clerk as a whole in a format similar to private sector companies. The Statement of Net Assets presents information on the Clerk's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net assets. Over time, the increases or decreases in net assets (and changes in the components of net assets) may serve as a useful indicator of whether the financial position of the Clerk is improving or weakening.

The Statement of Activities presents information showing how the Clerk's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenditures are reported in this statement for some items that will only result in cash flows in future fiscal periods, e.g., uncollected taxes and earned, but unused vacation leave.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Clerk, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Clerk uses two categories of funds to account for financial transactions - governmental funds and fiduciary funds.

ST. TAMMANY PARISH CLERK OF COURT
For the Year Ended June 30, 2008

Management's Discussion and Analysis

Fund Financial Statements (Continued)

Governmental funds are used to account for most of the basic services and projects reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances available for spending at year-end. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements (see Statements C, D, E and F) provide a detailed short-term view of the Clerk's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Clerk's programs. The Clerk has only one governmental fund - the general fund, which is used to account for the Clerk's basic services.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for governmental funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Clerk's more immediate decisions on the current use of financial resources. The governmental funds columns of the fund financial statements require and include a reconciliation following the Balance Sheet (Statement D) and the Statement of Revenues, Expenditures and Changes in Fund Balances (Statement F).

The fiduciary funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds financial statements can be found on page 19 of this report. The only type of fiduciary fund accounted for by the Clerk is "agency" funds. Agency funds are custodial in nature and represent assets held by the Clerk as an agent for litigants pending court action. Under applicable standards of GASB Statement No. 34, agency funds are not included in the government-wide financial statements. These activities are excluded from the Clerk's other financial statements because these assets are not available to finance operations. The Clerk is responsible for ensuring that the assets reported in these funds are used for their intended purposes. These funds are for unsettled deposits and decreased \$274,042 during the current year.

Notes to the Financial Statements

The notes to the financial statements, in particular "Note 1 - Summary of Significant Accounting Policies," discusses presentation and reporting requirements prescribed by the GASB standards. When reviewing this MD&A, the reader should refer to and review the notes to the financial statements (beginning on page 21), as well as the government-wide and fund financial statements (included in Statements A through G).

ST. TAMMANY PARISH CLERK OF COURT
For the Year Ended June 30, 2008

Management's Discussion and Analysis

FINANCIAL HIGHLIGHTS

- At June 30, 2008, the St. Tammany Parish Clerk of Court maintained an unrestricted net assets balance of \$3,176,020. Unrestricted net assets represents the net balance of all types of assets accumulated by the Clerk in excess of the amount invested in "capital assets" and any "restricted assets." Restricted assets are those which are constrained by creditors, grantors, contributors or by laws and regulations. As of June 30, 2008, the Clerk did not have any "restricted assets."
- At fiscal year-end, the total investment in capital assets decreased to \$158,707.
- Total assets at June 30, 2008, were \$3,772,292, while total liabilities amounted to \$437,565. In accordance with statutory requirements, the Clerk has no bonded indebtedness or long-term notes.
- The most significant continuing revenue sources for governmental activities were \$3,866,928 in revenues from document recording fees and \$3,687,754 in charges and court costs for suits and successions.
- Total expenses of the Clerk exceeded the total revenues for the fiscal year, resulting in a decrease in net assets of (\$1,240,337).

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets

Included below are the condensed Statements of Net Assets for the St. Tammany Parish Clerk of Court.

Condensed Statements of Net Assets - Governmental Activities

	June 30, 2008	June 30, 2007
Current and Other Assets	\$ 3,613,585	\$ 4,682,317
Capital Assets, Net	158,707	217,989
Total Assets	<u>\$ 3,772,292</u>	<u>\$ 4,900,306</u>
Liabilities	<u>\$ 437,565</u>	<u>\$ 325,242</u>
Total Liabilities	<u>\$ 437,565</u>	<u>\$ 325,242</u>
Net Assets		
Invested in Capital Assets	\$ 158,707	\$ 217,989
Unrestricted Net Assets	<u>3,176,020</u>	<u>4,357,075</u>
Total Net Assets	<u>\$ 3,334,727</u>	<u>\$ 4,575,064</u>

See Statement A for a more detailed Statement of Net Assets for the St. Tammany Parish Clerk of Court.

ST. TAMMANY PARISH CLERK OF COURT
For the Year Ended June 30, 2008

Management's Discussion and Analysis

Government-Wide Review of Condensed Statement of Net Assets

The composition of Net Assets and the changes in net assets over time serves as a useful indicator of a government's financial position. The St. Tammany Parish Clerk of Court's assets at fiscal year-end exceeded liabilities by \$3,334,727 (Net Assets), with the Clerk reporting positive balances in all categories of net assets. Of the total net assets, \$3,176,020 are unrestricted net assets. The balance of net assets consists of \$158,707 invested in capital assets.

The largest component of the "Current and Other Assets" category is investments totaling \$3,431,475, which are unrestricted and available to meet the Clerk's operational obligations. These funds decreased by \$885,544 during the year, primarily as a result of a contribution towards the Parish's obligation to rebuild the Slidell Parish Government building on Old Spanish Trail, which houses the Clerk of Court's satellite office.

Capital assets, totaling \$158,707, represent the investment in computers, furniture and equipment, all of which are more fully described in a later section. This balance is \$59,582 less than last year primarily due to current year depreciation expense being greater than acquisitions of assets.

The "Liabilities" category consists of a deficit in cash, accrued liabilities, deferred revenue and compensated absences. Total liabilities increased by \$112,320 during the current year. This increase is the net result of normal fluctuations in the various liability accounts, with the exception that there is a negative balance in the bank account.

Statement of Activities

The Statement of Activities for the St. Tammany Parish Clerk of Court is presented in Statement B. An explanation of the components of this statement is as follows.

There are two categories of revenues on the Statement of Activities - "Program Revenues" and "General Revenues." "Program Revenues" are derived directly from the program itself and they reduce the net cost of the function to be financed from the government's "General Revenues," which are presented below:

	June 30, 2008	June 30, 2007
General Revenues		
Other Revenues	\$ 529,396	\$ 507,834
Interest Earnings	442,196	505,255
Total General Revenues	971,592	1,013,089
Total Revenues	<u>\$ 8,745,447</u>	<u>\$ 9,380,359</u>
 Program Expenses		
Personnel Services	\$ 8,077,686	\$ 7,873,146
Operating Services	494,945	494,773
Materials and Supplies	292,129	341,690
Travel and Other Charges	32,295	37,601
Contribution to Parish to rebuild Slidell Parish Government Building	700,000	-
Capital Outlays	341,340	304,418
Total Expenses	<u>\$ 9,938,395</u>	<u>\$ 9,051,628</u>

ST. TAMMANY PARISH CLERK OF COURT
For the Year Ended June 30, 2008

Management's Discussion and Analysis

ANALYSIS OF FUND FINANCIAL STATEMENTS

The Clerk maintains only one "governmental fund" - the general fund. Its statements are presented as follows:

Description of Financial Statement	Statement
Balance Sheet	C
Statement of Revenues, Expenditures and Changes in Fund Balance	E

Governmental Funds

Under the modified-accrual basis for fund financial statements, the emphasis is on accounting for current financial resources. The analysis in this section includes a discussion of components of the fund financial statements, but concentrates on differences not discussed previously for the government-wide financial statements.

At fiscal year-end, the general fund reported an unreserved fund balance of \$3,335,667. Receivables totaling \$118,753 and investments totaling \$3,431,475 are identical to the government-wide presentation. Capital assets of \$158,707 are presented only in the government-wide presentation. The fund financial statements only account for current financial resources; therefore, current year capital expenditures are accounted for in the current year operating statement (Statement of Revenues, Expenditures and Changes in Fund Balance). Liabilities totaling \$214,561 include deficit in cash, accrued expenses and deferred revenue. Since compensated absences are only recorded when paid, they are not included here.

The fund reporting format presents in the Statement of Revenues, Expenditures and Changes in Fund Balance all revenue types followed by the expenses of the Clerk, presented on a functional basis. The major revenue and expenditure sources are similar to the government-wide presentation. The differences in total expenditures are in the reporting of capital expenditures, depreciation and prepaid expenses. As previously noted, in the fund financial statements, capital expenditures are reported on the operating statement (Statement of Revenues, Expenditures and Changes in Fund Balance); whereas the government-wide financial statements report capital assets on the Statement of Net Assets with depreciation expense recorded on the Statement of Activities in a manner similar to a private business enterprise.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to this MD&A and the basic financial statements, this report also presents certain required supplementary information which includes a Budgetary Comparison Schedule found on Schedule 1. The presentation under the GASB Statement No. 34 standard requires disclosure of both the original and the final budget. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

ST. TAMMANY PARISH CLERK OF COURT
For the Year Ended June 30, 2008

Management's Discussion and Analysis

ANALYSIS OF BUDGET VARIATIONS IN THE GENERAL FUND

Actual revenues were less than final budgeted revenues by approximately 1.7% and actual expenditures exceeded budgeted expenditures by approximately 4.2%.

The variations from the original budgeted revenues and expenditures for the general fund were as follows:

- Actual revenues were less than the final budget by \$138,873 primarily due to reduced records requests, lower interest rates and lower other revenues.
- Expenditures were more than the final budget by \$404,255 due primarily to increased personnel costs and capital expenditures.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets at Year-End

Capital assets had a net decrease of \$59,282 for the year ended June 30, 2008, because depreciation expense was greater than the acquisition cost of new assets. The notes to the financial statements, in particular "Note 4 - Capital Assets," discusses detail of capital assets.

Long Term Debt

Since Clerks of Court are not allowed to incur long-term indebtedness for bonds or notes payable, the Clerk had no long-term debt outstanding.

ECONOMIC FACTORS

As was discussed in last year's report, the "sub-prime" mortgage problems will continue to affect the Clerk's office's ability to generate revenues that are associated with home sales and the resulting recording fees. Foreclosure lawsuit fees will mitigate this reduction in fees but not to the extent of offsetting the decline in recording fees.

In addition to the anticipated decline in revenues, the Clerk is budgeting for additional expenses for the coming year. This increase is primarily the result of increasing the number of personnel necessary to support the two new judgeships and their related staff and continuing to maintain trained personnel to meet the obligations of the Clerk's office. In addition to the increased payroll costs of the added employees, there will be an increase in the health insurance premiums paid by the Clerk of seventeen percent (17%) effective January 1, 2009. Because of the changes in revenues and expenses discussed, the Clerk's office anticipates that the net assets for the year 2008-2009 will decrease.

As was discussed last year, the Clerk committed funds in the amount of \$700,000 to the Parish government to assist in the rebuilding of the Towers Building, in which the Clerk's office is housed in Slidell and which was heavily damaged by Hurricane Katrina. The funding for this commitment was to be paid in installments of \$400,000 in the fiscal year ending June 30, 2008, and \$300,000 in the fiscal year ending June 30, 2009. However, because the Clerk believed it more efficient since the funds were available, the committed amount of \$700,000 was all paid during the year ended June 30, 2008.

ST. TAMMANY PARISH CLERK OF COURT
For the Year Ended June 30, 2008

Management's Discussion and Analysis

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the St. Tammany Parish Clerk of Court's finances. Questions concerning this report or the need for additional information should be directed to Malise Prieto, Clerk of Court, St. Tammany Parish, P. O. Box 1090, Covington, Louisiana 70434.

BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Statement of Net Assets
June 30, 2008

Statement A

	Governmental Activities
Assets	
Investments	\$ 3,431,475
Accounts Receivable	118,753
Prepaid Insurance	63,357
Capital Assets, Net	<u>158,707</u>
Total Assets	<u>3,772,292</u>
Liabilities	
Deficit in Cash	113,929
Accrued Liabilities	20,718
Deferred Revenue	79,914
Compensated Absences	<u>223,004</u>
Total Liabilities	<u>437,565</u>
Net Assets	
Invested in Capital Assets	158,707
Unrestricted	<u>3,176,020</u>
Total Net Assets	<u>\$ 3,334,727</u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2008

Statement B

Functions / Programs	Expenses	Program Revenues Charges for Services	Net (Expenses) Revenues and Change to Net Assets Governmental Activities
Governmental Activities			
General Government	\$ 9,985,784	\$ 7,773,855	\$ (2,211,929)
General Revenues			
Other Revenues			529,396
Interest Earnings			442,196
Total General Revenues			971,592
Change in Net Assets			(1,240,337)
Net Assets, Beginning of Year			4,575,064
Net Assets, End of Year			\$ 3,334,727

The accompanying notes are an integral part of these financial statements.

BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Balance Sheet
Governmental Fund
June 30, 2008

Statement C

	General Fund
Assets	
Investments	\$ 3,431,475
Accounts Receivable	<u>118,753</u>
Total Assets	<u><u>\$ 3,550,228</u></u>
Liabilities	
Deficit in Cash	\$ 113,929
Accrued Liabilities	20,718
Deferred Revenue	<u>79,914</u>
Total Liabilities	<u>214,561</u>
Fund Balance	
Unreserved	<u>3,335,667</u>
Total Fund Balance	<u>3,335,667</u>
Total Liabilities and Fund Balance	<u><u>\$ 3,550,228</u></u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Statement of Net Assets
June 30, 2008

Statement D

Amounts reported for governmental activities in the Statement of
Net Assets are different because:

Fund Balance - Governmental Fund	\$ 3,335,667
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Governmental Capital Assets	858,147
Less: Accumulated Depreciation	(699,440)
Prepaid expenses are not recorded as an asset on the governmental balance sheet as they represent funds that have already been expended.	63,357
Compensated absences are not payable out of current funds and are not included in governmental fund balance.	<u>(223,004)</u>
Net Assets of Governmental Activities	<u>\$ 3,334,727</u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Statement of Revenues, Expenditures and Change
in Fund Balance - Governmental Fund
For the Year Ended June 30, 2008

Statement E

	General Fund
Revenues	
Fees, Charges and Commissions for Services	
Court Costs, Fees and Charges	\$ 3,687,754
Fees for Recording Legal Documents	3,866,928
Fees for Certified Copies	189,259
Other Revenues	529,396
Marriage Licenses	29,914
Interest Earnings	442,196
	<hr/>
Total Revenues	8,745,447
	<hr/>
Expenditures	
General Government	
Administration	492,017
Recordings and Filings	2,134,245
Mortgage Certificates	1,301,796
Civil Suits and Probates	3,071,812
Criminal Suits and Minutes	2,196,545
Elections	195,100
Computers	546,880
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Total Expenditures	9,938,395
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Excess of Revenues over Expenditures	(1,192,948)
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Fund Balance, Beginning of Year	4,528,615
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Fund Balance, End of Year	\$ 3,335,667
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The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Reconciliation of the Statement of Revenues, Expenditures
and Change in Fund Balance of the Governmental Fund
to the Government-Wide Statement of Activities
For the Year Ended June 30, 2008**

Statement F

**Amounts reported for governmental activities in the Statement of Activities
are different because:**

Net Change in Fund Balance - Governmental Fund	\$ (1,192,948)
Governmental funds report capital outlays as expenditures; however, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives through depreciation expense. This is the amount by which depreciation charged in the current period exceeded capital outlays.	(59,282)
Change in Prepaid Insurance	22,986
Change in Compensated Absences	<u>(11,093)</u>
Change in Net Assets of Governmental Activities	<u><u>\$ (1,240,337)</u></u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Statement of Fiduciary Net Assets
Fiduciary Fund
June 30, 2008

Statement G

	Agency Funds
Assets	
Cash and Cash Equivalents	\$ 6,915,495
Investments	<u>4,170,000</u>
Total Assets	<u>\$ 11,085,495</u>
Liabilities	
Unsettled Deposits	<u>\$ 11,085,495</u>
Total Liabilities	<u>\$ 11,085,495</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The financial statements of the St. Tammany Parish Clerk of Court (the Clerk) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below:

Reporting Entity

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Clerk serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and has other duties and powers provided by law. The Clerk is elected for a four-year term.

For financial reporting purposes, the Clerk includes all funds, account groups and activities that are within the oversight responsibility of the Clerk as an independently elected parish official. The Clerk is solely responsible for the operations of her office, which include the hiring or retention of employees, authority over budgeting and the receipt and disbursement of funds. Accordingly, the Clerk is fiscally independent and a separate reporting entity. Certain units of local government, over which the Clerk exercises no oversight responsibility, such as the Parish Council, Parish School Board, other independently elected parish officials and municipalities within the Parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the Clerk.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the Clerk.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest earnings and other revenues not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental fund.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the Clerk considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, compensated absences are recorded when paid.

Fees and charges for services, interest earnings and other revenues of the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Clerk.

The financial statements of the Clerk include the following major governmental fund:

General Fund - The general fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk and accounts for the operations of the Clerk's office. The various fees and charges due to the Clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Additionally, two agency funds are included - The Advance Deposit Fund and The Registry of Court Fund. Agency funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Advance Deposit Fund is used to account for advance deposits in suits filed by litigants. The Registry of Court Fund is used to account for funds held by order of the court until judgment is rendered by the judiciary.

When both restricted and unrestricted resources are available for use, it is the Clerk's policy to use restricted resources first, then unrestricted resources as they are needed.

Budget and Budgetary Accounting

Formal budget integration is employed as a management control device during the year for the general fund. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The proposed budget for the 2008 fiscal year was made available for public inspection at the Clerk's office on June 8, 2007. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal twelve days before the public hearing. The budget hearing was held at the Clerk's office on June 22, 2007. The budget is legally adopted and amended, as necessary, by the Clerk. All appropriations lapse at year-end.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Clerk.

Cash, Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest bearing demand deposits and money market accounts. Under state law, the Clerk may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state law, the Clerk may invest in United States bonds, treasury notes or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash. Investments are stated at fair value using published market values.

Capital Assets

Capital assets, which include computers, furniture and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical costs are not available (or describe other method of valuation). Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk maintains a threshold level of \$2,500 or more for capitalizing assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital outlays are recorded as expenditures of the general fund, and they are recorded as assets in the government-wide financial statements to the extent the Clerk's capitalization threshold is met. The Clerk has no infrastructure assets.

All capital assets are depreciated using the straight-line method over useful lives of five to twelve years.

Compensated Absences

Employees accrue vacation leave at the rate of 10 to 20 days per year, according to years of service with the Clerk's office. A maximum of 5 days of vacation leave can be carried forward to the succeeding year with written approval of supervisor or department head. *Vacation leave in excess of the carry forward amount is forfeited.* Employees accrue sick leave at a rate of 6 to 12 days per year, according to years of service with the Clerk's office. Employees are allowed to carry forward a maximum of 30 days of unused sick leave from year to year. Upon termination, or at retirement, employees are paid for unused sick leave at the discretion of the Clerk. At retirement, employees are paid for all accrued vacation leave.

Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as a liability in the Statement of Net Assets.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Equity

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

1. Invested in capital assets - Consists of capital assets, net of accumulated depreciation
2. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets"

Fund Statements

Governmental fund equity is classified as unreserved fund balance.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Cash, Cash Equivalents and Investments

At June 30, 2008, the Clerk had cash and cash equivalents (book balances) as follows:

	Government-Wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Cash and Cash Equivalents			
Petty Cash	\$ 1,595	\$ -	\$ 1,595
Interest Bearing Deposits	(115,524)	6,915,495	6,799,971
Total	<u>\$ (113,929)</u>	<u>\$ 6,915,495</u>	<u>\$ 6,801,566</u>
Investments			
Certificates of Deposit	\$ 2,181,475	\$ 4,170,000	\$ 6,351,475
LAMP Account	1,250,000	-	1,250,000
Total	<u>\$ 3,431,475</u>	<u>\$ 4,170,000</u>	<u>\$ 7,601,475</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 2. Cash, Cash Equivalents and Investments (Continued)

These securities are held in the name of the pledging bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2008, the Clerk had \$14,969,408 in deposits (collected bank balances), which includes investments in certificates of deposits of \$6,351,475. These deposits are secured from risk by \$1,375,000 of federal deposit insurance and \$13,594,408 of pledged securities held by the custodial bank in the name of the bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to *advertise and sell the pledged securities within 10 days of being notified by the Clerk that the bank has failed to pay deposited funds upon demand.*

In accordance with GASB Codification Section 150.126, the investment in LAMP at June 30, 2008, was not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and, therefore, not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets.

The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk and foreign currency risk for all public entity investments.

LAMP is a money market like investment pool. The following facts are relevant for money market-like investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: Money market-like investment pools are excluded from this disclosure requirement, per paragraph 15 of GASB Statement No. 40.
- Foreign currency risk: Not applicable to money market-like pools.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 2. Cash, Cash Equivalents and Investments (Continued)

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

Note 3. Receivables

The receivables of \$118,753 at June 30, 2008, consisted of the following:

Criminal Costs	\$ 40,055
Advance Deposits	58,424
Court Attendance	2,700
Recordation	<u>17,574</u>
Total	<u>\$ 118,753</u>

The Clerk considers all receivables to be collectible; therefore, no allowance has been established for doubtful accounts.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 4. Capital Assets

Change in capital assets for the year ended June 30, 2008, consisted of the following:

Governmental Activities	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
Capital Assets Being Depreciated				
Computers, Furniture and Equipment	\$ 831,472	\$ 26,675	\$ -	\$ 858,147
Total Capital Assets Being Depreciated	<u>831,472</u>	<u>26,675</u>	<u>-</u>	<u>858,147</u>
Less Accumulated Depreciation for:				
Computers, Furniture and Equipment	(613,483)	(85,957)	-	(699,440)
Total Capital Assets Being Depreciated, Net	<u>\$ 217,989</u>	<u>\$ (59,282)</u>	<u>\$ -</u>	<u>\$ 158,707</u>

During the year ended June 30, 2008, the Clerk's capital outlay expenditures totaled \$1,041,340, which included contributions to the St. Tammany Parish Council of \$700,000, which will be used for construction of a new parish office complex in Slidell. Also included was \$314,665 in purchases that fell below the Clerks capitalization threshold of \$2,500.

Note 5. Compensated Absences

At June 30, 2008, employees of the Clerk of Court had accumulated and vested \$223,004 of employee leave benefits. This amount is recorded as a liability on the Statement of Net Assets.

Note 6. Risk Management

The Clerk is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk, along with other Clerks of Court in the State of Louisiana, formed the Clerks of Court Self-Insurance Association Fund (CSIAF). It is a public entity risk pool currently operating as a common risk management and insurance program for 36 member Clerks of Court. The Clerks pay an annual premium to CSIAF for their general insurance coverage. The Articles of Association of the CSIAF provide that CSIAF will be self-sustaining through member premiums. The CSIAF pays claims, in excess of the Clerk's deductible of \$3,750, up to a maximum limit of \$1,000,000 for each insured event. During the year ended June 30, 2008, no claims were made against the St. Tammany Parish Clerk of Court for risks covered by the CSIAF. Accordingly, no liability for claims was recognized as of June 30, 2008. No settlements exceeded insurance coverage for each of the past three fiscal years.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 7. Pension Plan

Plan Description

Substantially all employees of the Clerk's office are members of the Clerks of Court Retirement and Relief Fund (the Fund), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the Fund. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to $3\frac{1}{3}$ percent of their final-average salary for each year of credited service and not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55, and receive the benefit accrued to their date of termination. The Fund also provides death and disability benefits. Benefits are established and amended by state statute.

The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

Funding Policy

Members of the Fund are required by state statute to contribute 8.25 percent of their annual covered salary, and the St. Tammany Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.75 percent of annual covered payroll. Contributions to the Fund also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the St. Tammany Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

Beginning July 1, 2001, the Clerk voluntarily began paying both the employee and employer required contributions.

The St. Tammany Parish Clerk of Court's contributions to the Fund for the years ending June 30, 2008, 2007 and 2006, were \$1,019,546, \$1,170,816, and \$950,416, respectively, equal to the required contributions for each year.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 8. Post Employment Benefits

In addition to the pension benefits described in Note 7, the Clerk provides post employment healthcare and life insurance benefits to all employees who retire from the Clerk under the same restrictions as in the above note. As of June 30, 2008, there were 20 retired employees participating in the post employment healthcare and life plan.

The benefits for the covered employees are provided through an insurance company whose monthly premiums are paid jointly by the employee/retiree and by the Clerk. The cost of providing these benefits for the retirees is separable from the cost of providing benefits for active employees and is recorded on a pay-as-you-go basis (cash basis). The Clerk's portion of the total premiums for all employees for the fiscal year ended June 30, 2008, aggregated \$1,014,118. For the year ended June 30, 2008, the cost of retiree benefits included in total paid premiums was \$60,303.

Note 9. Deferred Compensation Plan

Certain employees of the Clerk participate in the Louisiana Public Employees Deferred Compensation Plan (the Plan) adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

Note 10. Contingent Liabilities

From time to time, the Clerk is involved as a defendant in actual or threatened litigation, which is not covered by insurance. At June 30, 2008, there were no pending or threatened claims, which, in the opinion of the Clerk's legal advisors, would have a material adverse affect on the financial statements, should such claims be settled in favor of the plaintiffs.

Note 11. Expenditures of the Clerk of Court Required to be Paid by the Parish Council

Louisiana Revised Statute 13:784 requires the Parish Council to provide the Clerk with all necessary office furniture, equipment and record books. During the year ended June 30, 2008, as well as for several years prior thereto, items provided by the Parish Council have been limited to certain furniture and fixtures, office and storage space and utilities.

Note 12. Excess Fund Balance

Louisiana Revised Statute 13:785 requires that every four years, at the close of the term of office, the Clerk must pay the Parish Council the portion of the general fund's fund balance that exceeds one-half of the general fund revenues for the Clerk's last year of office, which amount shall be limited to the total funds provided the Clerk by the Parish during said term of office. At June 30, 2008, the general fund's balance did not exceed one-half of the general fund revenues.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 13. Clerk's Compensation

The Clerk's compensation for the year ended June 30, 2008, as established by law for salary, statutory allowance and custodian of voting machines, was \$108,000, \$10,800 and \$2,400 respectively.

Note 14. Change in Agency Fund Balance

The following is a summary of change in agency fund unsettled deposits:

	Unsettled Deposits at July 1, 2007	Additions	Reductions	Unsettled Deposits at June 30, 2008
Advance Deposit	\$ 5,202,389	\$ 6,386,609	\$ 6,383,204	\$ 5,208,794
Registry of Court	6,157,148	3,821,203	4,101,650	5,876,701
Total	\$ 11,359,537	\$ 10,207,812	\$ 10,484,854	\$ 11,085,495

Note 15. Expenditures in Excess of Appropriations

During the year ended June 30, 2008, the Clerk's general fund expenditures of \$9,938,395 exceeded its budgeted appropriations of \$9,534,140, resulting in an unfavorable budget variance of \$404,255.

REQUIRED SUPPLEMENTAL INFORMATION (PART II)

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

Schedule 1

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget Favorable/ (Unfavorable)
Revenues				
Fees, Charges and Commissions for Services				
Court Costs, Fees and Charges	\$ 3,473,315	\$ 3,666,839	\$ 3,687,754	\$ 20,915
Fees for Recording Legal Documents	5,041,853	4,007,309	3,866,928	(140,381)
Fees for Certified Copies	242,555	188,939	189,259	320
Other Revenues	472,267	498,731	529,396	30,665
Marriage Licenses	33,063	30,093	29,914	(179)
Interest Earnings	519,758	492,409	442,196	(50,213)
Total Revenues	9,782,811	8,884,320	8,745,447	(138,873)
Expenditures				
General Government				
Administration	460,160	513,199	492,017	21,182
Recordings and Filings	1,952,645	1,964,790	2,134,245	(169,455)
Land Records	1,530,015	1,285,766	1,301,796	(16,030)
Civil Suits and Probates	3,027,640	2,982,534	3,071,812	(89,278)
Criminal Suits and Minutes	2,295,897	2,152,136	2,196,545	(44,409)
Elections	191,856	191,874	195,100	(3,226)
Computers	312,325	443,841	546,880	(103,039)
Total Expenditures	9,770,538	9,534,140	9,938,395	(404,255)
Change in Fund Balance	\$ 12,273	\$ (649,820)	(1,192,948)	\$ (543,128)
Fund Balance, Beginning of Year			4,528,615	
Fund Balance, End of Year			\$ 3,335,667	

See independent auditor's report.

OTHER SUPPLEMENTAL INFORMATION

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Schedule of Revenues
Governmental Fund Type - General Fund
For the Year Ended June 30, 2008

Schedule 2

Court Costs, Fees and Charges

Fees - Advance Deposit	\$ 3,204,797
Criminal Costs	447,786
Court Attendance	34,721
DA Bond Forfeiture	450

Total Court Costs, Fees and Charges	3,687,754
--------------------------------------------	------------------

Recording of Legal Documents

Recording	3,461,175
Cancellations	262,583
Certificates	50,319
UCC Fees	65,728
Parish Council Costs	23,149
SE Legal Service Costs	3,974

Total Recording of Legal Documents	3,866,928
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Certified Copies	189,259
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Other Revenues

Internet Income	378,606
Passports	82,273
Other	67,735
Computer Time	782

Total Other Revenues	529,396
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Marriage Licenses	29,914
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Interest Earnings	442,196
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Total Revenues	\$ 8,745,447
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ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Schedule of Expenditures
Governmental Fund Type - General Fund
For the Year Ended June 30, 2008

Schedule 3

Administration

Personnel Services	\$ 381,894
Operating Services	93,478
Materials and Supplies	8,392
Travel and Other Charges	8,089
Capital Outlay	164

Total Administration	<u>492,017</u>
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Recordings and Filings

Personnel Services	1,512,328
Operating Services	97,371
Materials and Supplies	45,084
Travel and Other Charges	5,345
Capital Outlay	474,117

Total Recordings and Filings	<u>2,134,245</u>
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Land Records

Personnel Services	1,145,080
Operating Services	76,204
Materials and Supplies	30,196
Travel and Other Charges	3,736
Capital Outlay	46,580

Total Land Records	<u>1,301,796</u>
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Civil

Personnel Services	2,727,542
Operating Services	139,168
Materials and Supplies	87,804
Travel and Other Charges	7,239
Capital Outlay	110,059

Total Civil	<u>3,071,812</u>
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**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Schedule of Expenditures
Governmental Fund Type - General Fund
For the Year Ended June 30, 2008**

Schedule 3 (Continued)

Criminal

Personnel Services	1,951,687
Operating Services	71,718
Materials and Supplies	76,770
Travel and Other Charges	5,467
Capital Outlay	<u>90,903</u>

Total Criminal	<u>2,196,545</u>
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Elections

Personnel Services	173,955
Operating Services	12,441
Materials and Supplies	8,041
Travel and Other Charges	663
Capital Outlay	<u>-</u>

Total Elections	<u>195,100</u>
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Computers

Personnel Services	185,200
Operating Services	4,565
Materials and Supplies	35,842
Travel and Other Charges	1,756
Capital Outlay	<u>319,517</u>

Total Computers	<u>546,880</u>
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Total Expenditures	<u>\$ 9,938,395</u>
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ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Agency Funds
June 30, 2008

Advance Deposit Fund

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, is used to account for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

Registry of Court Fund

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds which have been ordered by the court to be held until final judgment has been rendered in court litigation. Withdrawal of the funds can be made only upon order of the court.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Combining Statement of Fiduciary Net Assets
Agency Funds
June 30, 2008

	Advance Deposit Fund	Registry of Court Fund	Total
Assets			
Cash and Cash Equivalents	\$ 1,038,794	\$ 5,876,701	\$ 6,915,495
Investments	4,170,000	-	4,170,000
Total Assets	<u>\$ 5,208,794</u>	<u>\$ 5,876,701</u>	<u>\$ 11,085,495</u>
Liabilities			
Unsettled Deposits	\$ 5,208,794	\$ 5,876,701	\$ 11,085,495
Total Liabilities	<u>\$ 5,208,794</u>	<u>\$ 5,876,701</u>	<u>\$ 11,085,495</u>

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
Schedule of Changes in Unsettled Deposits
Agency Funds
For the Year Ended June 30, 2008

	Advance Deposit Fund	Registry of Court Fund	Total
Unsettled Deposits, Beginning of Year	\$ 5,202,389	\$ 6,157,148	\$ 11,359,537
Additions			
Deposits			
Suits and Successions	6,389,609	-	6,389,609
Judgments	-	3,620,571	3,620,571
Interest Earned on Investments	-	200,632	200,632
Total Additions	6,389,609	3,821,203	10,210,812
Total	11,591,998	9,978,351	21,570,349
Reductions			
Clerk Costs	3,233,169	2,005	3,235,174
Settlements to Litigants	1,675,560	4,099,645	5,775,205
Other	537,975	-	537,975
Sheriff's Fees	514,767	-	514,767
Parish Council Costs	220,144	-	220,144
22 nd Judicial District Court Fund	122,054	-	122,054
Secretary of State	45,725	-	45,725
Stenographer Fees	25,650	-	25,650
Court of Appeals	8,160	-	8,160
Total Reductions	6,383,204	4,101,650	10,484,854
Unsettled Deposits, End of Year	\$ 5,208,794	\$ 5,876,701	\$ 11,085,495



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Malise Prieto
St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the St. Tammany Parish Clerk of Court (the Clerk), as of and for the year ended June 30, 2008, which collectively comprise the Clerk's basic financial statements and have issued our report thereon dated November 5, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Clerk's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Clerk's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Clerk's financial statements that is more than inconsequential will not be prevented or detected by the Clerk's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Clerk's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

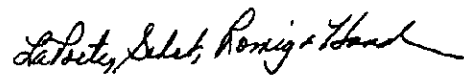
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An Independent Member

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clerk's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management of the St. Tammany Parish Clerk of Court, federal awarding agencies and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

November 5, 2008